

Terry E. Branstad, Governor

Kim Reynolds, Lt. Governor

Beth Townsend, Director



August 4, 2016

Christine Quinn
Employment and Training Administration, Region 5
230 South Dearborn St. 6th Floor
Chicago, IL 60604-1505

Dear Director Quinn:

I want to thank you and your staff members for your generosity with your time during the State Leaders meeting in Chicago week before last.

Attached you will find an updated spreadsheet with new State proposed performance numbers. The State of Iowa submits the updated proposed rates for PY16 and PY17 under Workforce Innovation and Opportunities Act program performance outcomes.

We respectfully request consideration of the revised proposal. In addition to the rationale previously provided, based upon preliminary data run in the state of Iowa, it is expected for performance to drop with the change in reporting from 1st and 3rd quarters to 2nd and 4th. The drop is more pronounced in the 4th quarter. Also, with no ability to renegotiate anticipated for States in PY16, and limited access to actual data reflecting WIOA performance outcomes, the Regional Office's counter proposal to State's initial proposed performance outcomes are of concern in the following areas:

- Adult EER
- W-P EER
- Adult Employment 4th
- W-P Employment 4th

Iowa is working to update processes and data collection system and reporting to better capture all barriers. This includes more effective training to front-line staff. In the early fall of 2015, and before, regional staff were educated on upcoming changes with WIOA to include recording all barriers. DOL's use of the barriers in the statistical model would not have yet included all barriers and only the barriers recorded and verified as regions were operating under WIA at the time.

Adult Entered Employment-WIOA Title I

Per the Department of Labor calculations, the Target is 69.4; Predicted is 67.6; and the Simulated is 68.2. The original State Proposal was 60.0% and the Regional Office countered with 68%. The State would appreciate consideration of a revised proposal of 61%.

The historical information is based on 1st Qtr Employment under WIA. Adult Entered Employment (1st Qtr employment) under WIOA anticipated drops when reporting on 2nd and 4th Quarter employment, which is why Iowa requests 61% for Adult EER under WIOA for PY16. Following is some historical information on which the proposal is based.

- 2010 – 56.5 (Negotiated 65%)
- 2011 – 59.7 (Negotiated 65%)
- 2012 – 65.5 (Negotiated 65%)
- 2013 – 58.7 (Negotiated 63%) (all regions reporting Integrated Services Delivery)
- 2014 – 61.1 (Negotiated 63%)
- 2015 – 62.8 (PY15 thru 3rd Qtr)*3 quarters included; anticipated to drop with addition of 4th and final quarter for program year.

Additional Rationale:

The DOL Target and Predicted is based on current reported barriers. Iowa is not serving to WIOA service delivery for baseline data. Iowa is in process of updating data collection system and reporting to allow for better recording and reporting of barriers. The statistical model based on barriers reported. System enhancements and staff training are needed to record all barriers for individuals, especially those receiving basic career services only.



Also, in the Youth category, we are serving hardest to serve; people who are disconnected.

WIOA Title I Dislocated worker has traditionally been approximately 5% points higher than WIOA Title I Adult. Beginning in PY13, all regions were reporting Integrated Services Delivery.

Following is historical information on the Adult Entered Employment (1st Qtr employment) compared to Dislocated Worker.

2013 – 58.7 (Negotiated 63%)* DW 2013 - *63.2 (Negotiated 82%)

2014 – 61.1 (Negotiated 63%) DW 2014 – 69.1 (Negotiated 70%)

*(all regions reporting Integrated Services Delivery)

With DW EER tentatively accepted at 65%, 61% as newly requested for Adult EER, fits in line with this trend.

W-P Entered Employment 2nd

Per the Department of Labor calculations, the Target is 61.0; Predicted is 67.9 and the Simulated is 71.4. The original State Proposal was 60.0% and the Regional Office countered with 69%. The State would appreciate consideration of a revised proposal of 63%.

The historical information for the entered employment is as follows:

W-P Entered Employment (1st Qtr employment)

2010 – 62.0 (Negotiated 65%)

2011 – 64.0 (Negotiated 65%) done

2012 – 67.0 (Negotiated 65%)

2013 – 64.0 (Negotiated 65%) (all regions reporting Integrated Services Delivery)

2014 – 67.1 (Negotiated 65%)

2015 – 69.0 (3rd Qtr PY15) (Negotiated 65%)

**3 quarters included; anticipated to drop with addition of 4th and final quarter for program year.

YOUTH

In this area, we are serving the hardest to serve, disconnected Youth with increased emphasis on serving Out-of-School youth. This population has significant, multiple barriers to employment and retaining employment.

Youth Placement in Employment, Education or Training (2nd Qtr)

Per the Department of Labor calculations, the Target is 77.9; Predicted is 74.2; and the Simulated is 74.9. The original State Proposal was 60.0% and the Regional Office countered with 74%. The State would appreciate consideration of a revised proposal of 68%.

Following is historical information on Youth Placement in Employment, Education or Training (following includes Out-of-School only). With increased emphasis on serving Out-of-School youth, youth entered employment is expected to drop when fully reporting under WIOA.

2012 (n/a)

2013 – 74.1 (Negotiated 65%) (all regions reporting Integrated Services Delivery)

2014 – 72.0 (Negotiated 65%)

2015 – 78.1 (PY15 thru 3rd Qtr)

Youth Placement in Employment, Education or Training (4th Qtr)

Per the Department of Labor calculations, the Target is 78.1; Predicted is 73.6; and the Simulated is 69.8. The original State Proposal was 60.0% and the Regional Office countered with 69%. The State would appreciate consideration of a revised proposal of 67%.

Youth Credential Attainment

Per the Department of Labor calculations, the Target is 55.1; Predicted is 64.2; and the Simulated is 68.1. The original State Proposal was 25.0% and the Regional Office countered with 62%. The State would appreciate consideration of a revised proposal of 58%.

Following is historical information on Youth Credential Attainment for Out-of-School Youth. (These will more align w/ WIOA Youth measures.)

2012 (n/a)

2013 – 58.7 (Negotiated 65%) (all regions reporting Integrated Services Delivery)

2014 – 58.6 (Negotiated 65%)

2015 – 62.9 (PY15 thru 3rd Qtr) (Negotiated 65%) **3 quarters included; anticipated to drop with addition of 4th and final quarter for program year.

Credential attainment includes (for IWD): those in secondary education or post-secondary. With anticipated increased efforts in serving Out-of-School Youth, this population of customers are harder to serve and disconnected from the system and hard to maintain connection to system.

Employment 4th Qtr

Adult Employment 4th

Per the Department of Labor calculations, the Target is 57.2; Predicted is 69.3; and the Simulated is 68.1. The original State Proposal was 60.0% and the Regional Office countered with 68%. The State would appreciate review and consideration of its initial proposal of 60%, due to the aforementioned reasons and the initial rationale.

W-P Employment 4th

Per the Department of Labor calculations, the Target is 66.5; Predicted is 69.5; and the Simulated is 71.7. The original State Proposal was 60.0% and the Regional Office countered with 70%. The State would appreciate consideration of a revised proposal of 61%, again due to the aforementioned reasons and the initial rationale.

Adult Credential Attainment

Per the Department of Labor calculations, the Target is 70.1; Predicted is 65.5; and the Simulated is 74.2. The original State Proposal was 55.0% and the Regional Office countered with 68%. The State would appreciate consideration of a revised proposal of 60%. The Adult Employment and Credential actual for PY15 through the 3rd Qtr was 58.9% under WIA. The State's proposal represents and a goal increase.

With regard to the Median Earnings 2nd Quarter After Exit for Wagner-Peyser, I was unsure if that State's initial proposal had been accepted. I would appreciate some additional information on that measure.

A recap of the proposals is attached for your convenience.

This information has been posted for public comment on www.iowaworkforce.org. Should you have any questions, please contact Marketa Oliver, at (515) 281-4986, or Marketa.Oliver@iwd.iowa.gov.

Sincerely,

Marketa Oliver
IowaWorks Division Administrator
Iowa Workforce Development

cc: Todd Spencer, Workforce Services Manager
Ben Humphrey, Attorney, WIOA

Iowa

Employment Rate
2nd Quarter After Exit

	Target Outcome	Predicted Outcome - Current PY	Simulated Outcome - Most Recent 4Qs	State Proposed	RO Counter	State NEW Proposed
Adult	69.4%	67.6%	68.2%	60.0%	68.0%	61.0%
DW	66.0%	66.2%	72.6%	65.0%		
Youth	77.9%	74.2%	74.9%	60.0%	74.0%	68.0%
WP	61.0%	67.9%	71.4%	60.0%	69.0%	63.0%

Employment Rate
4th Quarter After Exit

	Target Outcome	Predicted Outcome - Current PY	Simulated Outcome - Most Recent 4Qs	State Proposed	RO Counter	State NEW Proposed
Adult	57.2%	69.3%	68.1%	60.0%	68.0%	60%
DW	63.1%	69.9%	70.2%	65.0%		
Youth	78.1%	73.6%	69.8%	60.0%	69.0%	67%
WP	66.5%	69.5%	71.7%	60.0%	70.0%	61%

Median Earnings
2nd Quarter After Exit

	Target Outcome	Predicted Outcome - Current PY	Simulated Outcome - Most Recent 4Qs	State Proposed
Adult	\$4,189	\$3,741	\$4,468	\$4,000
DW	\$5,081	\$5,340	\$5,843	\$5,500
Youth				
WP	\$4,619	\$5,273	\$5,431	\$4,500

Credential Attainment
within 4 Quarters After Exit

	Target Outcome	Predicted Outcome - Current PY	Simulated Outcome - Most Recent 4Qs	State Proposed	RO Counter	State NEW Proposed
Adult	70.1%	65.5%	74.2%	55.0%	68.0%	60%
DW	68.1%	63.1%	83.7%	63.0%		
Youth	55.1%	64.2%	68.1%	25.0%	62.0%	58% *

*adjusting to this level, this lessens the importance of aligning with Dept of Education as encouraged thru WIOA